



# QUARTER

Newsletter of the PA Department of Banking and Securities

## Overcoming COVID-19 Financial Fraud and Scams



**Watch for Veteran  
Pension Poaching**

**Helping to Prevent  
Gift Card Scams**

**Benefits of Being  
State-Chartered**



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SECRETARY

[dobssecretary@pa.gov](mailto:dobssecretary@pa.gov)

# Richard Vague

## Overcoming COVID-19 Fraud and Scams

With more than 11 million doses of the COVID-19 vaccine having been delivered to Pennsylvanians, we have started catching the first glimpses of a return back to our pre-pandemic lives. An unfortunate constant before, during, and likely after the pandemic is the threat of financial fraud and scams against Pennsylvanians.

From January 1, 2020 to July 8, 2021, there were 326,974 cases of fraud reported with a combined \$488 million losses to victims. Individuals who are 60 and over suffered the most financial loss, accounting for more than \$121 million of the total. Those who are 80 and over lost an average of \$1,000, more than three times their counterparts in the 30-39 age group.<sup>1</sup>

Part of the department's work includes helping consumers and investors protect and grow their money. A crucial element of that work is advising the public about ways they can prevent being defrauded as well as what to do if they have been victimized. Consumers are well-advised to be vigilant against financial scams at all times, but an increase in fraud is expected during major events such as the pandemic.

Fraudsters are applying more sophisticated and evolving methods to deploy a wide range of scams from phishing emails, gift card frauds,



skimmers, imposter scams, romance scams, and many others. According to the Federal Trade Commission, the top frauds reported for 2020 and the beginning half of 2021 involved online shopping and vacation and travel scams. In Pennsylvania, imposter scams, online shopping, and telephone/mobile services scams topped the list for 2020.<sup>2</sup>





Moreover, each time a new development arises in the news, perpetrators take note and adapt their angle in hopes to take advantage of consumers. Approximately 39 million American families with children have started receiving the 2021 enhanced child tax credit as part of the American Rescue Plan. It is anticipated that scammers will [start targeting families](#) to “assist” them to get more money or to receive payments more quickly, neither of which is true.

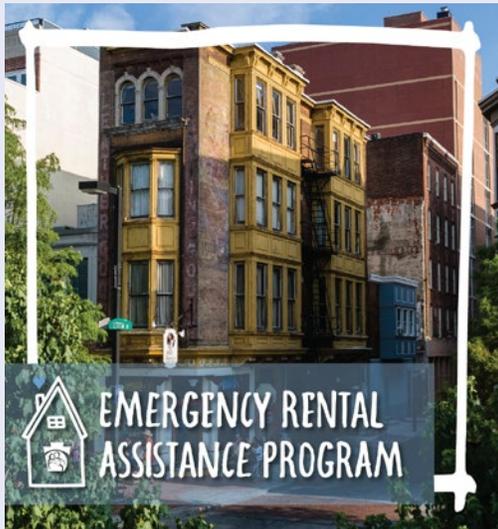
The department is urging all Pennsylvanians to be mindful of potential financial scams. The following information and resources can help you detect and prevent these scams from happening to you or someone you love:

- [DoBS COVID-19 Financial Scams](#)
- [DoBS Tips to Avoid Coronavirus Financial Scams](#)
- [AARP Scams & Fraud](#)
- [FTC Coronavirus Advice for Consumers](#)
- [U.S. DOJ Combatting COVID-19 Fraud](#)

<sup>1</sup> <https://public.tableau.com/app/profile/federal.trade.commission/viz/COVID-19andStimulusReports/Map>

<sup>2</sup> <https://www.dobs.pa.gov/Documents/Publications/Reports/19-20ConsumerServicesAnnualReport.pdf>

## Emergency Rental Assistance Available



The Emergency Rental Assistance Program (ERAP) is available for renters of residential properties who are at risk of eviction or utility shutoffs due to hardship caused by the COVID-19 pandemic. Landlords can apply for assistance on behalf of tenants and receive assistance directly if the tenant is eligible. **If you are in need of assistance, don't wait. Apply today.**

### How Can ERAP Help?

Households may be eligible for up to 12 months of assistance to cover past-due or future rent and/or utility payments. ERAP can also help cover rehousing costs for someone who is currently experiencing homelessness or in unstable housing. The amount of a household's monthly rent or utility bills does not preclude eligibility, but the amount of ERAP assistance provided to a household is determined by program administrators at the county level.

Assistance can be provided to a tenant in a residential rental property for future rental payments and for unpaid rental or utility arrears that were accrued on or after March 13, 2020. Counties may choose to provide additional assistance to eligible households if funds remain available.

Residential tenants may apply for themselves, or a landlord may apply on behalf of a current tenant. Also, landlords do not have to agree to participate in the program for tenants to receive assistance.

More information about ERAP eligibility requirements and how to apply can be found at [www.dhs.pa.gov/erap](http://www.dhs.pa.gov/erap).

## Connect with DoBS:

Follow us on social media for latest news, information, and events: [Facebook](#), [Twitter](#), [LinkedIn](#).

Contact us today at [informed@pa.gov](mailto:informed@pa.gov) to schedule an outreach event. We would love to hear from you.





## Weighing the Benefits of Being a State-Chartered Bank

Under the dual banking system in the United States, banks are afforded a choice in primary regulator and under which laws they will be chartered: state or federal. The coexistence of these two parallel systems allows for healthy market competition.

In Pennsylvania, the Department of Banking and Securities is the state regulatory agency responsible for supervising state-chartered banks. About three out of four banks headquartered in Pennsylvania are chartered by the department.

Benefits to becoming a Pennsylvania state-chartered bank, include:

**Regulatory access and responsiveness.** State-chartered banks share closer geographic proximity to the department, providing for more direct and timely communication. Department staff, including the Secretary, are personally accessible to staff of state-chartered banks.

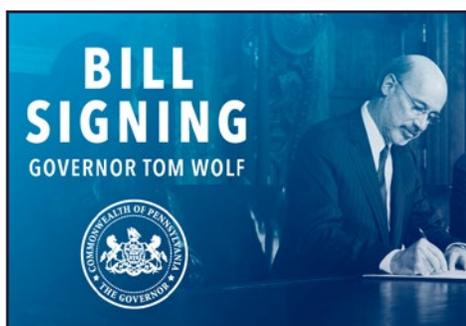
**Understanding the Pennsylvania market.** Regionally located bank examiners live in the areas in which they work and are familiar with local areas and economic conditions. These Pennsylvanians are able to better understand Pennsylvania banks and the issues affecting the local community.

**Parity provisions permit state-chartered banks equal powers to national bank.** Pennsylvania state-chartered banks have equal rights and privileges to banks operating under a federal charter in the state.

**Lower assessment costs.** In general, the department's assessments are significantly lower than the fees assessed for federally chartered banks. This means banks are realizing the benefits of being a state-chartered bank and equal rights and privileges to federally chartered banks, at a tremendous value and cost savings.

Visit the [department's blog](#) to read the full article including more information on the many benefits of being a Pennsylvania state-chartered bank.

## Legislative Update: Act 39 of 2021



Governor Wolf signed HB 859, introduced by Rep. Sheryl Delozier, into law on June 30. The law – now Act 39 of 2021 – amends the Department of Banking and Securities Code to convert the Banking Fund to a Trust Fund and prohibits transfers out of the Banking Fund if the transfer is unrelated to the regulation of financial institutions and the protection of their customers. The Pennsylvania Bankers Association (PA Bankers), Pennsylvania Association of Community Bankers (PACB), and CrossState Credit Union Association (CrossState) applauded the enactment of the legislation.

## PA School Makes Top 5 in National Competition

Congratulations to the student team from [Mansfield University](#) for advancing to the final leg of the 2021 Conference of State Bank Supervisors (CSBS) Community Bank Case Study competition. The team worked with Citizens and Northern Bank on their case study.

“I commend the Mansfield University student team for a phenomenal case study,” said Secretary Richard Vague. “On behalf of the department we congratulate the students, their faculty advisor, and the bank for all of their hard work.”





## DoBS Helps Grocery Store Employees Spot, Prevent Gift Card Scams

Katrina Boyer, Investment Education Coordinator, was featured on a segment of Fox43 Finds Out to caution Pennsylvanians about gift card scams and discuss training of grocery store employees to help spot and prevent these scams. Julie Serino of Karns Quality Foods offered insight into how the training has been useful to their front-end employees.



DoBS Investor Education Coordinator, Katrina Boyer - responsible for educating and informing Pennsylvanians on ways to stay safe from fraud and scammers.

[Watch the piece](#) to learn more.

The department uses its innovative, research-based programs to train medical doctors, lawyers, social workers, senior service providers, and other professionals who have contact with older Pennsylvanians to recognize and report financial abuse. Email [informed@pa.gov](mailto:informed@pa.gov) for more information or to schedule a program for your professional group.

## Task Force Releases Guidance to Address Elder Financial Exploitation

A public-private task force, assembled by the PA Department of Aging, [announced a series of recommendations](#) to help prevent financial exploitation of older adults and to effectively respond to incidents of financial exploitation. The task force is made up of representatives from state government, including DoBS, as well as members from the aging, legal, financial, law enforcement, and healthcare sectors.

Some of the recommendations include developing a training program for financial services providers on reporting financial exploitation, creating an online toolbox to help law enforcement investigate cases of financial exploitation, and updating Pennsylvania's Older Adults Protective Services Act (OAPSA).

The task force will reconvene later this year to review and discuss the progress made on each recommendation.

Read the full [Task Force Report](#)

## Senior\$afe Event to Prevent Elder Financial Exploitation

The department will host a Senior\$afe program with Pennsylvania Medicare Education and Decision Insight (PA MEDI) counselors on **July 28 from 2:00 PM to 3:00 PM**. The program aims to help professionals that work with older adults have greater awareness about elder financial exploitation. It also outlines steps professionals can take to report suspected abuse.

Senior\$afe was created in partnership with the North American Securities Administrators Association (NASAA). Interested in scheduling a free event for your professional group? Contact the Financial Services for Consumers and Business (FSCB) team at [informed@pa.gov](mailto:informed@pa.gov).

## OUTREACH Spotlight

Upcoming Events

### Upcoming Virtual Consumer Events



#### Midweek Money Matters Webinars

##### Investment Frauds You Need to Know

July 27: 6:00 PM to 6:30 PM - [Register](#)

July 28: 10:00 AM to 10:30 AM - [Register](#)

#### Budgeting Basics

[Cleve J. Fredricksen Library](#)

July 27: 11:00 AM to 12:00 PM

#### Legislative Expos

Rep. Carl Metzgar's Annual Senior Expo

Somerset County Fairgrounds

July 29: 9:00 AM to 11:00 AM

Rep. Clinton Owlett's Senior Expo

Wellsboro High School

Aug. 5: 9:00 AM to 12:00 PM

Rep. Tina Pickett's Senior Expo

Lynch Bustin Elementary School

Aug. 5: 10:00 AM to 2:00 PM

Rep. Martin Causer's Senior Expo

University of Pittsburgh at Bradford

Aug. 6: 9:00 AM to 1:00 PM

Kane Community Center

Sept. 10: 9:00 AM to 1:00 PM

Roulette Fire Hall

Oct. 8: 9:00 AM to 1:00 PM

Rep. Napoleon Nelson's Senior Expo

Congregation K.I.

Aug. 26: 10:00 AM to 1:00 PM

Rep. Zachary Mako's Senior Expo

Bethany Wesleyan Church

Sept. 24: 10:00 AM to 1:00 PM

Complete calendar of events [online](#)





# Look Out for Veteran Pension Poaching Scams

DoBS is joining the PA Department of Military and Veterans Affairs (DMVA) to raise awareness about scams and exploitation involving veteran benefits.

## What is Pension Poaching?

Pension poaching is a form of financial exploitation that targets veterans and beneficiaries who are eligible for VA pension benefits. Pennsylvania is home to nearly 800,000 veterans, a majority of which are over the age of 60, making it a prime poaching ground for scammers seeking to defraud American heroes.

Pension poaching comes in many forms, but may include:

- Selling financial products of questionable value or charging a fee to restructure assets in order to make the veteran or beneficiary meet eligibility criteria;
- Promise of pension eligibility for a fee or offer a lump sum or advanced loan against a future awarded pension;
- Selling overpriced in-home care or care that is never actually provided;
- Selling assistance to veterans in applying for benefits.



## Assistance is Available

**Veterans and their advocates should NEVER pay for assistance to apply for veterans' benefits.** Free, safe assistance is available to help veterans and their families apply for benefits, including their VA pension. Accredited veteran service officers in Pennsylvania work within organizations such as DMVA, county veteran affairs offices, and veterans service organizations to help ensure veterans and their families are able to identify and apply for the wide range of benefits they are eligible for.

If you have been the victim of a scam related to a veteran benefit, contact the Pennsylvania Attorney General's Military and Veterans Affairs section 717-783-1944 or [pavets@attorneygeneral.gov](mailto:pavets@attorneygeneral.gov)

Learn more about avoiding pension poaching scams: [What to Know About Veteran Pension Poaching](#)

## DEI at DoBS - Committed to Diversity, Equity, and Inclusion

The department recently launched a new webpage highlighting its commitment to diversity, equity, and inclusion. The page features information and resources for the public related to DoBS recruitment, contracting with the commonwealth, language access resources, and more. The department is excited to continue to grow and evolve the resources included on this page to support its objective of promoting inclusive and equitable programs and services and recruiting and retaining a diverse workforce.

Visit the [DEI at DoBS page](#) for more information!





# Cyber Section

## CISA's CSET Releases Ransomware Readiness Tool

The Cybersecurity and Infrastructure Security Agency (CISA) released a new module in its Cyber Security Evaluation Tool Set (CSET). The [Ransomware Readiness Assessment \(RRA\)](#) is a self-assessment that allows organizations to assess how well they are equipped to defend against a ransomware attack based on a tiered set of practices.



## Federal Cybersecurity Response

President Biden issued an executive order on May 12 aimed to strengthen the federal government's response to and prevention of cybersecurity threats. The Executive Order on Improving the Nation's Cybersecurity was issued on the heels of a ransomware attack on a company operating a pipeline and outlines requirements for federal agencies as well as contractors doing business with the federal government.

Additionally, the White House has created a ransomware task force targeting ransomware attacks. The interagency task force is examining offensive and defensive methods of countering these types of breaches. CISA will unveil a new website, [cisa.gov/stopransomware](https://cisa.gov/stopransomware), as a hub for ransomware guidance.



# Research Region

## Paycheck Protection Program (PPP) Loans in Pennsylvania





# Compliance Corner

## 2nd Quarter 2021 Enforcement Orders



The department protects consumers through the following laws:

- Check Casher Licensing Act
- Consumer Credit Code
- Consumer Discount Company Act
- Credit Services Act
- Debt Management Services Act
- Debt Settlement Services Act
- Loan Interest and Protection Law
- Money Transmitter Act
- Mortgage Licensing Act
- Pawnbrokers Licensing Act
- Pennsylvania Securities Act of 1972

The Department of Banking and Securities issued **32 enforcement orders** during the second quarter of 2021 from **April to June 2021**. **Fines and assessments for these orders totaled \$652,025**. To see details on these enforcements, visit the [Enforcement Orders](#) section of the department's website.

## Vague Honored with Banker of the Year Award



The Pennsylvania Association of Community Bankers (PACB) has honored Secretary of Banking and Securities Richard Vague with its 2021 Banker of the Year Award.

During its INSPIRE & Lifetime Achievement Awards Dinner on July 19, PACB President and CEO Kevin Shivers presented Vague with the award in recognition of his leadership in guiding the industry through the pandemic, including working to ensure banks and financial institutions remained open and able to offer consumers and businesses access to funds and the banking system.

The event featured keynote speaker Jim Mathis, PCS, CSP, MDIV who is the author of Five Levels of Leadership. Community banks were recognized for their work in four categories: community support and engagement; a game-changer category recognizing innovation to address a pressing community need; PPP Lender of Excellence; and PPP Inspire Award. Additionally, three individuals were presented with lifetime achievement awards following their four decades of service to the industry.

## Join the DoBS Team!

The department is hiring! Are you a talented, organized professional with a background in conducting bank safety and soundness examinations, or professional bank internal audit or operating experience?

Apply to become a DoBS **Senior Financial Institutions Examiner!** Visit the [commonwealth's job posting](#) to learn more about the position, benefits, and how to apply!

Check back frequently for future [job listings with all areas of the department](#).

### EXAMINERS WANTED

Full-Time/Permanent



#### What We Do

- Regulate banks and credit unions, consumer lenders, investment firms and financial professionals
- Help protect Pa. consumers
- Provide meaningful work for Pa. citizens
- Educate Pa. consumers

# WE ARE HIRING

## Join the team!

Apply now at:  
[employment.pa.gov](http://employment.pa.gov)

